



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

January 4, 2010

Brad Campbell, President
Payday Payroll Service, Inc.
625 The City Drive South
Orange, CA 92868

Dear Mr. Campbell:

**RE: Small Business Final MONITORING REPORT for Payday Payroll Service, Inc. –
ET09-0408**

Date of Meeting:	9/29/09
Beginning/Ending Time:	10:30 a.m. – 12:15 p.m.
Date of Last Meeting:	3/26/09
Meeting Location:	Orange
Persons in attendance:	Brad Campbell, President, Payday Payroll Service; Lisa Atia, Dir. of Contract Development, Quovus Industry Incentives (Administrative Subcontractor); and Krista Campion, Contract Analyst, Employment Training Panel
Action Required:	No

CONTRACT INFORMATION

Term of Agreement:	12/18/08 – 12/17/09	Agreement Amount:	\$46,200
Training Start Date:	12/19/08	No. to Retain:	35
Date Training must be Completed:	9/17/09	Range of Hours:	8 – 120
Type of Trainee:	Retrainee	Weighted Ave. Hours:	60

ACTION ITEMS REMAINING FROM THE PRIOR MEETING:

- ***None***

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1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

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NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
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SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

FINAL REPORT SUMMARY

• HISTORY OF AGREEMENT CHANGES

The Agreement was executed on 1/13/09. Training commenced on 12/19/08 and the last day of ETP training was 9/03/09, which allowed for the 90-day retention period to be completed within the term of the Agreement – 12/17/09.

There were no Modifications or Amendments processed for this Agreement.

• INTERVIEW WITH THE SIGNATORY, BRAD CAMPBELL, PRESIDENT

This project was designed to train approximately 35 trainees in Business Skills, Computer Skills, Commercial Skills and Continuous Improvement. Payday Payroll considers this to be a very successful training project. You reported that this project increased the jobs skills of the staff who now have a greater knowledge of the company's computer system, thereby creating improved job efficiencies. The Advanced Sales and Product knowledge classes were helpful to improve the sales skills of some staff.

You reported that all ETP training was conducted in a classroom and you were successful by creating a training schedule around the demands of the business, i.e. scheduling training during non-peak hours of the week. Additionally you stated that you attribute the success of this ETP project to a commitment to training and motivation to increase the job skills of the staff.

See projected earnings below.

PROJECT STATUS PROVIDED BY THE CONTRACTOR

Trainees Started Training:	32	Completed Training:	30
Trainees Enrolled:	41	In Retention Period:	0
Dropped Following Enrollment:	*2	Completed Retention:	29
No. Completed Minimum of 8 Reimbursable Hours:	30		

**Note: There are approximately 10 additional drops to be submitted on this project prior to the submission of the final closeout invoice.*

PROJECTED EARNINGS / NUMBER TO RETAIN

You reported that although 30 trainees completed training (86% of planned trainees), which is consistent with information in the ETP class/lab tracking system, you project that only 29 trainees will complete the 90-day retention period.

The per trainee reimbursement for class/lab training is based on the total actual number of training hours completed for each trainee, provided the minimum (8) and no more than the maximum (120) class/lab training hours are completed, and all other Agreement terms and conditions are met. The 29 retrainees referenced above have completed from 8 to 120 hours of class/lab training, for a grand total of approximately 2,140 hours of training. **Although the amount of hours documented equates to a reimbursement of approximately \$47,098, this is over the Agreement amount. Payday Payroll Services has documented more training hours in the ETP class/lab tracking system than available funding. The maximum funding allowed under this Agreement is \$46,200.**

CLOSEOUT INVOICE

The final closeout invoice is due to ETP no later than 01/17/2010. If you are unable to submit the closeout invoice by that date, you are instructed to request an extension through the ETP help desk by e-mailing your request to help@etp.ca.gov. To date, payday Payroll Services has been reimbursed by ETP a total of \$34,650 in *unearned* progress payments.

ATTENDANCE ROSTERS

Attendance Rosters reviewed:	2 Trainees' rosters covering the period 2/04/09 – 9/03/09	Rosters reviewed contained all the required information per Title 22, California Code of Regulations, Section 4442.	YES
Information contained in rosters reviewed was consistent with the hours reported on-line?			*NO, see below

**The Analyst discovered some data-entry errors in the class/lab tracking system and a few minor documentation errors. Subsequent to the visit, Ms. Atia reported to the Analyst that she was correcting the documentation errors. Additionally, Ms. Atia requested that the ETP Fiscal manager reverse the P2 payments on Invoice #5 and agreed to correct the ETP class/lab tracking system and then re-bill for the affected trainees.*

TRAINEE INTERVIEWS

Number of Trainees Interviewed:	1	Employed by Contractor:	YES
Occupations of Trainees Interviewed:		Sales Staff	

AUDIT

Payday Payroll Services, Inc. will be notified in writing if this Agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

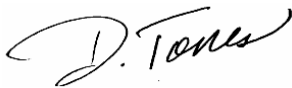
- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding the information in this letter, please contact Ms. Campion at 619-686-1917, or at kcampion@etp.ca.gov, within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager
San Diego Regional Office



Krista Campion, Contract Analyst
San Diego Regional Office

cc: Lisa Atia, Quovus Industry Incentives
Kulbir Mayall, ETP Fiscal Manager
Master File
Project File
Final Report File